

ITEMS CORRESPONDING TO SCHEDULE B

1. PAYMENT OF REAL ESTATE EXCISE TAX, IF REQUIRED
- TAKING AUTHORITY OF THE CITY OF KIRKLAND
PRESENT RATE OF REAL ESTATE EXCISE TAX AS OF THE DATE HEREIN IS 1.78%
AND THE LEVY CODE IS 1727.
2. GENERAL TAXES: FIRST HALF DELINQUENT MAY 1; SECOND HALF DELINQUENT NOVEMBER 1:
- YEAR: 2010
- AMOUNT BILLED: \$14,375.41
- AMOUNT PAID: \$7,187.71
- AMOUNT DUE: \$7,187.70, PLUS INTEREST AND PENALTY IF DELINQUENT
- TAX ACCOUNT NO.: 919410--0015--08
- LEVY CODE: 1727
- LAND: \$1,490,500.00
- IMPROVEMENTS: \$59,500.00
- NOTE: KING COUNTY TREASURER, 500 4TH AVENUE, 6TH FLOOR ADMIN. BLDG., SEATTLE, WA. 98104 (206) 296-7300
- WEB ADDRESS: HTTP://WEBAPP.METROKCO.GOV/KCTAXINFO/.
3. LIABILITY FOR SEWER TREATMENT CAPACITY CHARGES THAT MAY BE ASSESSED BUT NOT DISCLOSED IN THE PUBLIC RECORDS, PLEASE CONTACT THE KING COUNTY CAPACITY CHARGE DEPARTMENT FOR FURTHER INFORMATION AT 206-296-1450.
4. FACILITY CHARGES, IF ANY, INCLUDING BUT NOT LIMITED TO HOOK-UP, OR CONNECTION CHARGES AND LATECOMER CHARGES FOR WATER OR SEWER FACILITIES OF NORTHSORE UTILITY DISTRICT AS DISCLOSED BY INSTRUMENT RECORDED UNDER RECORDING NUMBER 9207300893.
5. DEED OF TRUST, SECURITY AGREEMENT, ASSIGNMENT OF RENTS AND FIXTURE FILING: OTTO PARKING, LLC, A WASHINGTON LIMITED LIABILITY COMPANY; GRANTOR: STEWART TITLE COMPANY; TRUSTEE: UNION BANK OF CALIFORNIA, N.A., A NATIONAL BANKING BENEFICIARY: ASSOCIATION
- AMOUNT: \$1,465,000.00
- DATE: OCTOBER 9, 2007
- RECORDED: OCTOBER 11, 2007
- RECORDING NO.: 2007012001598
- THE AMOUNT NOW SECURED BY SAID DEED OF TRUST AND THE TERMS UPON WHICH THE SAME CAN BE DISCHARGED OR ASSUMED SHOULD BE ASCERTAINED FROM THE HOLDER OF THE INDEBTEDNESS SECURED.
6. ASSIGNMENT OF LEASES AND/OR RENTS AND THE TERMS AND CONDITIONS THEREOF: OTTO PARKING, LLC, A WASHINGTON LIMITED LIABILITY ASSIGTOR: COMPANY: UNION BANK OF CALIFORNIA, N.A. DATED: OCTOBER 9, 2007 RECORDED: OCTOBER 12, 2007 RECORDING NO.: 2007012001599
7. DEED OF TRUST AND THE TERMS AND CONDITIONS THEREOF: GRANTOR: OTTO PARKING, LLC, A WASHINGTON LIMITED LIABILITY COMPANY; TRUSTEE: FIRST AMERICAN TITLE INSURANCE COMPANY BENEFICIARY: ALTA/ACSM FINANCE, LLC, A WASHINGTON LIMITED LIABILITY COMPANY
- AMOUNT: \$200,000.00
- DATED: OCTOBER 1, 2009
- RECORDED: NOVEMBER 30, 2009
- RECORDING NO.: 20091130000983
- THE AMOUNT NOW SECURED BY SAID DEED OF TRUST AND THE TERMS UPON WHICH THE SAME CAN BE DISCHARGED OR ASSUMED SHOULD BE ASCERTAINED FROM THE HOLDER OF THE INDEBTEDNESS SECURED.
8. MATTERS OF EXTENDED OWNERS COVERAGE WHICH ARE DEPENDENT UPON AN INSPECTION AND AN ALTA/ACSM SURVEY OF THE PROPERTY FOR DETERMINATION OF HAZARDOUS MATERIALS: PLEASE SUBMIT A COPY OF THE ALTA/ACSM SURVEY AT YOUR EARLIEST CONVENIENCE FOR REVIEW. YOUR INSPECTION WILL BE HELD PENDING OUR REVIEW OF THE ALTA/ACSM SURVEY AND THE RESULTS OF SAID INSPECTION WILL BE FURNISHED BY SUPPLEMENTAL REPORT.
9. THE MOBILE HOMES LOCATED ON THE LAND DESCRIBED HEREIN WILL BE EXPRESSLY EXCLUDED FROM THE COVERAGE OF THE FORTHCOMING POLICY.
10. EVIDENCE OF COMPLIANCE WITH RCW 59.20.300, REGARDING SALE OF MOBILE HOME PARKS, MUST BE FORTHCOMING FROM THE FIRWOOD LANE MOBILE HOME PARK TENANT ASSOCIATION PRIOR TO CLOSING.
11. UNRECORDED LEASEHOLDS AND RIGHTS OF TENANTS.
12. EVIDENCE OF THE AUTHORITY OF THE INDIVIDUAL(S) TO EXECUTE THE FORTHCOMING DOCUMENT FOR OTTO PARKING, LLC, A WASHINGTON LIMITED LIABILITY COMPANY, COPIES OF THE CURRENT OPERATING AGREEMENT SHOULD BE SUBMITTED PRIOR TO CLOSING.
13. EVIDENCE OF THE AUTHORITY OF THE INDIVIDUAL(S) TO EXECUTE THE FORTHCOMING DOCUMENT FOR DAVIS INVESTORS AND MANAGEMENT, LLC, A WASHINGTON LIMITED LIABILITY COMPANY, COPIES OF THE CURRENT OPERATING AGREEMENT SHOULD BE SUBMITTED PRIOR TO CLOSING.
14. EASEMENT, INCLUDING TERMS AND PROVISIONS CONTAINED THEREIN: RECORDED: JULY 24, 1978 RECORDING NO.: 7807240859 FOR: ACCESS AND OPEN SPACE AFFECTS: 15 FOOT WIDE VACATED ALLEY IN BLOCKS 3 AND 18 OF THE SUBJECT PROPERTY AND VACATED 94TH AVENUE NORTHEAST AND VACATED 93RD PLACE NORTHEAST
15. EASEMENT, INCLUDING TERMS AND PROVISIONS CONTAINED THEREIN: RECORDED: OCTOBER 21, 1976 RECORDING NO.: 7610210557 FOR: PUGET SOUND POWER AND LIGHT COMPANY, A WASHINGTON CORPORATION AFFECTS: ELECTRIC TRANSMISSION AND/OR DISTRIBUTION SYSTEM BEING A 10 FOOT STRIP ON ALL LOTS PARALLEL WITH AND ADJACENT TO DEDICATED 15 FOOT ALLEY, TOGETHER WITH RIGHT TO EXTEND BY MUTUAL CONSENT

FLOOD NOTE:

By graphic plotting only, this property is in Zone(s) X, 5303300400. The Flood Insurance Rate Map/Community Panel No. 5-16-95, and is not in a Special Flood Hazard Area. By telephone call dated 10-20-10, to the National Flood Insurance Program (800-658-6620) or the nearest community-based flood insurance agent, the property is not determined to be in a flood zone and no flood insurance is required. This determination is based on the information provided and on a determination of the property's location and on elevation certificate may be needed to verify this determination or apply for a variance from the Federal Emergency Management Agency.

PORTION OF SE 1/4 OF SECTION 30, TOWNSHIP 26N, RANGE 5E, WM

16. EASEMENT, INCLUDING TERMS AND PROVISIONS CONTAINED THEREIN: RECORDED: APRIL 28, 1980 RECORDING NO.: 8004280546 IN FAVOR OF: GENERAL TELEPHONE COMPANY OF THE NORTHWEST AFFECTS: RIGHT OF WAY LIGHT-OF-WAY EASEMENT ON ALL LOTS PARALLEL WITH AND ADJACENT TO DEDICATED 15 FOOT ALLEY, TOGETHER WITH THE RIGHT TO EXTEND BY MUTUAL CONSENT
17. EASEMENT, INCLUDING TERMS AND PROVISIONS CONTAINED THEREIN: RECORDED: OCTOBER 11, 1985 RECORDING NO.: 851010720 IN FAVOR OF: NORTHEAST LAKE WASHINGTON SEWER AND WATER DISTRICT AFFECTS: SANITARY SEWERS WITH NECESSARY APPURTENANCES, NORTH 10 FEET OF LOT 22, BLOCK 18, TOGETHER WITH VACATED ROADS
18. AGREEMENT AND THE TERMS AND CONDITIONS THEREOF: BETWEEN: LOUIS H. GILLETTE AND PATRICIA M. GILLETTE AND: RECORDED: FEBRUARY 4, 1977 RECORDING NO.: 770204000 PURPOSE: TO PROVIDE SEWER SERVICE TO BLOCKS 3 AND 18 OF THE PROPERTY HEREIN DESCRIBED AND COSTS RELATED THEREIN
19. AGREEMENT AND THE TERMS AND CONDITIONS THEREOF: BETWEEN: NORTHEAST LAKE WASHINGTON SEWER AND WATER DISTRICT AND: RECORDED: MARCH 15, 1985 RECORDING NO.: 850315000 PURPOSE: REIMBURSEMENT AGREEMENT COSTS RELATING THERETO
20. AGREEMENT AND THE TERMS AND CONDITIONS THEREOF: BETWEEN: NORTHEAST LAKE WASHINGTON SEWER DISTRICT AND: RECORDED: OCTOBER 25, 1984 RECORDING NO.: 8410250614 PURPOSE: REIMBURSEMENT AGREEMENT FOR SEWERS
21. EASEMENT AGREEMENT AND THE TERMS AND CONDITIONS THEREOF: BETWEEN: RUDY SANCHEZ AND LINDA SANCHEZ, HUSBAND AND WIFE AND: RECORDED: APRIL 21, 1993 RECORDING NO.: 9304211187 PURPOSE: CONCRETE RETAINING WALL AND FENCE
22. SAVE HARMLESS AGREEMENT AND THE TERMS AND CONDITIONS THEREOF: BETWEEN: FIRWOOD LANE LLC AND: RECORDED: AUGUST 15, 2002 RECORDING NO.: 20020815000304
23. AGREEMENT AND THE TERMS AND CONDITIONS THEREOF: BETWEEN: JILL FLETCHER, A SINGLE PERSON AND: RECORDED: JULY 8, 1993 RECORDING NO.: 9307080995 PURPOSE: MAINTAINING, REMOVING, REPAIRING, IMPROVING AND RECONSTRUCTING A CONCRETE RETAINING WALL AND FENCE, TOGETHER WITH THE NON EXCLUSIVE RIGHT OF INGRESS TO AN EGRESS OVER THE NORTHERLY 3 FEET OF LOT 20, BLOCK 1, OF JUANITA PARKWAY DIV. 2 ADJACENT.
- SAID INSTRUMENT IS A RE-RECORD OF RECORDING NO(S), 9307071382.
24. EASEMENT RIGHTS AND MAINTENANCE AGREEMENTS, IF ANY, FOR UTILITIES WHICH MAY HAVE BEEN RESERVED IN VACATED STREETS AND ALLEYS.
25. EASEMENT AND CONDITIONS CONTAINED THEREIN AS RESERVED BY SUPERIOR COURT CAUSE NO. 87-2-11593-3: FILED ON: OCTOBER 30, 1987 RECORDED: 8710300617 IN FAVOR OF: ANY PRIVATE ENTITY AFFECTS: PRIVATE EASEMENTS OR INTEREST VACATED STREETS
26. ANY QUESTIONS THAT MAY ARISE DUE TO THE SHIFTING AND/OR CHANGING IN THE COURSE OF UNMADED CREEK AS DISCLOSED BY SURVEY RECORDED UNDER RECORDING NO. 9803099006
27. RIGHTS OF THE GENERAL PUBLIC TO THE UNRESTRICTED USE OF ALL THE WATERS OF A NAVIGABLE BODY OF WATER NOT ONLY FOR THE PRIMARY PURPOSE OF NAVIGATION, BUT ALSO FOR COROLLARY PURPOSES, INCLUDING (BUT NOT LIMITED TO) FISHING, BOATING, BATHING, SWIMMING, WATER SKING AND OTHER RELATED RECREATIONAL PURPOSES, AS THOSE WATERS MAY AFFECT THE IDELANDS, SHORELANDS AND ADJACENT PLACEDS AND WHETHER THE LEVEL OF THE WATERS HAS INCREASED OR DECREASED AS A RESULT OF CLIMATE FLUCTUATING LEVEL. ALL AS FURTHER DEFINED BY THE DECISIONAL LAW OF THE STATE. (AFFECTS ALL OF THE PREMISES SUBJECT TO SUCH SUBMERGENCE.)
28. A RECORD OF SURVEY RECORDED MARCH 9, 1998 UNDER RECORDING NO. 9803099006, SAID SURVEY DISCLOSES THE FOLLOWING MATTERS: 4 FOOT CYCLONE FENCE AT NORTHEASTERLY CORNER DOESN'T CONFORM TO PROPERTY LINE
29. TERMS AND CONDITIONS OF NATURAL GREENBELT PROTECTIVE EASEMENT RECORDED: MARCH 21, 2003 RECORDING NO.: 20030321000386
30. TERMS AND CONDITIONS OF LICENSE TO ENTER RECORDED: MARCH 21, 2003 RECORDING NO.: 20030321000387
31. EASEMENT, INCLUDING TERMS AND PROVISIONS CONTAINED THEREIN: RECORDED: APRIL 5, 2007 RECORDING NO.: 070405000442 IN FAVOR OF: COMCAST OF CALIFORNIA, COLORADO, TEXAS, WASHINGTON, INC. AFFECTS: BROADBAND COMMUNICATIONS SYSTEM REFER TO SAID INSTRUMENT FOR THE EXACT LOCATION

LEGAL DESCRIPTION

LOTS 1 THROUGH 26, BLOCK 3, ALSO LOTS 1 AND 2 AND THE NORTH 7.5 FEET OF LOT 3, AND THE NORTH 20 FEET OF LOT 21 AND ALL OF LOTS 22, 23 AND 24, BLOCK 18, WATERFRONT ADDITION TO KIRKLAND, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 6 OF PLATS, PAGE(S) 92, RECORDS OF KING COUNTY, WASHINGTON;

TOGETHER WITH THOSE PORTIONS OF STREETS AND ALLEYS VACATED BY ORDER ENTERED OCTOBER 3, 1987 UNDER SUPERIOR COURT CAUSE NO. 87-2-11953-3, DESCRIBED AS FOLLOWS:

ALL OF NORTHEAST 122ND STREET (4TH STREET), LYING EAST OF THE PLAT OF CREKESIDE, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 130 OF PLATS, PAGE(S) 43, 44, AND 45, RECORDS OF KING COUNTY, WASHINGTON AND LYING WEST OF LOTS 24 AND 25, BLOCK 1, JUANITA PARKWAY, DIVISION 2, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 67 OF PLATS, PAGE(S) 56, 57, AND 58, RECORDS OF KING COUNTY, WASHINGTON;

ALSO THE EAST HALF OF 93RD PLACE NORTHEAST (KIRKLAND AVENUE), AND THE WEST HALF OF 94TH AVENUE NORTHEAST (MANCHESTER STREET), AND ALL ALLEYS WITHIN BLOCKS 3 AND 18, WATERFRONT ADDITION TO KIRKLAND, ACCORDING TO THE PLAT THEREOF RECORDED IN VOLUME 6 OF PLATS, PAGE(S) 92, 93 AND 94, LYING NORTH OF LOTS 20 AND 21, BLOCK 1, JUANITA PARKWAY DIVISION 2 AND SOUTH OF A LINE LOCATED 30 FEET SOUTH OF AND PARALLEL WITH THE CENTER LINE OF NORTHEAST 124TH STREET.

AREAS

THE TOTAL LAND AREA = 148,931 SQUARE FEET
3,419 ACRES

MISCELLANEOUS NOTES

INSTRUMENTATION FOR THIS SURVEY WAS A SOKKIA 330R TOTAL STATION. PROCEDURES USED IN THIS SURVEY WERE FIELD TRAVERSE MEETING OR EXCEEDING STANDARDS SET BY WAC 332-130-090.

UTILITIES SHOWN HEREON WERE DERIVED FROM OBSERVABLE EVIDENCE ON THE GROUND SURFACE; CONTRACTOR TO VERIFY PRIOR TO ANY EXCAVATION.

NO EVIDENCE WAS OBSERVED OF EARTH MOVING WORK, BUILDING CONSTRUCTION OR BUILDING ADDITIONS.

NO EVIDENCE OF ANY CHANGES IN STREET RIGHT-OF-WAY WAS OBSERVED

NO EVIDENCE OF THE SITE BEING USED AS A SOLID WASTE DUMP OR SANITARY LANDFILL WAS OBSERVED

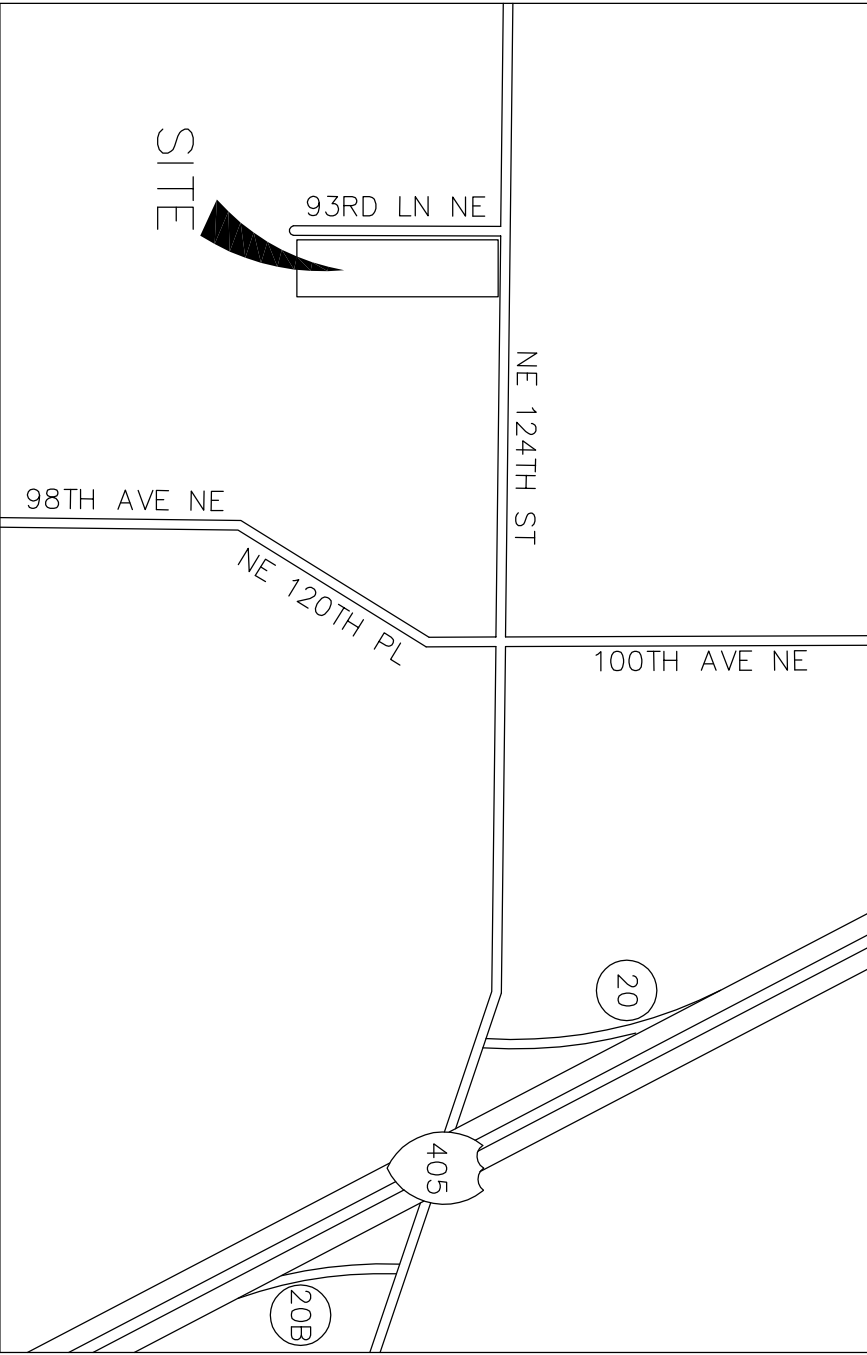
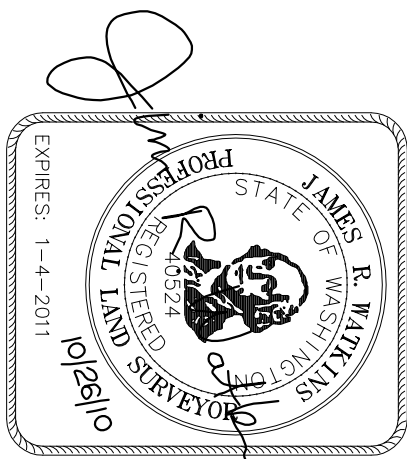
ALL FIELD MEASUREMENTS MATCHED RECORD DIMENSIONS WITHIN THE PRECISION REQUIREMENTS OF ALTA/ACSM SPECIFICATIONS UNLESS OTHERWISE SHOWN.

ALTA/ACSM LAND TITLE SURVEY CERTIFICATION

I, James R. Watkins, a Professional Land Surveyor registered in the State of Washington, License No. 40524, do hereby certify to Davis Investors and Management, LLC, Stewart Title Insurance Company, as follows: that the ALTA/ACSM Land Title Survey on which this Certificate appears (the "Survey") is based upon a field survey conducted by me or under my supervision on October 1, 2010, and that such field survey was in accordance with the ALTA/ACSM Standard Minimum Detail. The Survey was in accordance with the ALTA/ACSM Standard Minimum Detail as established and adopted by ALTA and NSPS in 2005 and includes items 1, 2, 3, 4, 8, 9, 10, 11(a), 13, 14, 15 and 16 of Table A thereof. Pursuant to the Accuracy Standards as adopted by ALTA and NSPS and in effect on the date of this Certificate, the undersigned further certifies that in my professional opinion, as a land surveyor registered in the State of Washington, the Relative Positional Accuracy of this Survey does not exceed that which is specified therein.

For purposes of identifying easements, reservations and private restrictions of record, I have reviewed and relied on 3898224 instrument in the instrument Title Insurance Commitment No. 3898224 dated as of August 30, 2010.

Jim R. Watkins
Registration number: 40524
in the State of Washington
Date of Survey October 1, 2010
Date of last revision 10-26-10



STATEMENT OF ENCROACHMENT

NO ENCROACHMENTS WERE ENCOUNTERED ON THE SUBJECT PROPERTY.

NOTES		DATE	CHKD BY	DWN BY
		10-26-10	JRW	MRW



Allied Land Surveying, Inc.
20611 Bothell-Everett Hwy #E216
Bothell, Washington 98012
(P) 425-482-0223 (F) 425-482-0224

ALTA / ACSM SURVEY
FOR
DAVIS INVESTORS AND MANAGEMENT, LLC
6619 132ND AVENUE NORTHEAST #270
KIRKLAND, WA. 98033

SHEET

1 of 2